



## **RE: FCC Launches Ninth Inquiry into Broadband Availability**

Dear FCC Commission:

I am the CEO/CTO of an Internet Service Provider in the greater Seattle area of Washington State. We operate as both a reseller of LEC and CLEC connections, as well as a facilities based provider for a Fiber to the Home network in Issaquah, WA. We started our business in 1991, and started providing residential Internet access in 1995.

Over the years, changes in regulation and incentives to the ILECs and cable providers have systematically removed much of our ability to reach residential customers with advanced broadband products. ILEC providers like Qwest, Verizon, and Frontier have lobbied against, limited, and even revoked our access to the infrastructure that formerly allowed us to connect our Internet services to residential customers in our service areas. As noted in this inquiry, Fixed Broadband, Mobile Broadband, and Satellite Broadband are such vastly different technologies, that they cannot be judged using the same criteria (speeds, caps, latency, etc.), however the Commission and state regulators have for many years accepted Cable and ILEC arguments that one Cable provider, one DSL/Fiber LEC, and one or two 3G/4G Wireless providers is enough to provide a “competitive” landscape for consumers. The actions of both the Commission and the ILECs have greatly reduced competitive choices for consumers.

I hope the Commission will find its way back to the ideals and congressional intent that spawned the landmark 1996 Telecom Reform Act, and reinstitute the competitive access and network unbundling provisions that have since been rendered useless. Such revisions would provide for greatly increased competition in the Fixed Broadband space, which is where the largest gains in speed, latency, and capacity are still available.

My feedback on a few of the various issues raised in the inquiry are listed below:

### **Inquiry Issue A.1.a**

#### **Fixed Services – Speed Threshold**

*9. ... In light of the demand for more and higher-quality video services, should we raise the 4 Mbps/1 Mbps speed threshold for fixed terrestrial broadband services?*

*11. The 2010 National Broadband Plan recommended that the Commission set a goal of 100 million U.S. homes having affordable access to actual download speeds of at least 100 Mbps and actual upload speeds of at least 50 Mbps by 2020, to create the world’s most attractive market for broadband applications, devices, and infrastructure. We seek comment about whether the Commission should identify multiple speed tiers in these reports to assess the country’s progress for our universalization goal, as well as additional goals—such as affordable access to 100 Mbps/50 Mbps to 100 million homes by 2020—to ensure that we remain forward thinking and are prepared to satisfy future needs as well as immediate demands.*

Advanced broadband services like HD Video, Cloud Backup, eLearning and Remote Teleworking services require higher speeds than 4M/1M broadband. Our community FTTH network, the Issaquah Highlands Fiber Network (<http://hfnet.us>) has minimum speeds of 10Mbps up and down, with higher plans available at 100M/20M, 100M/30M, 100/40M, and even 1000M/100M (Gigabit).

### **Inquiry Issue A.1.c**

#### **Fixed Services – Data Capacity Threshold**

*18. Capacity is the total volume of data sent and/or received by the end user over a period of time and often is measured in gigabytes (GB) per month. We seek comment on the extent to which current capacity or usage limits affect a user's ability to "originate and receive high-quality voice, data, graphics, and video telecommunications using any technology" with a broadband service, as required by section 706. Fixed broadband providers increasingly have been placing monthly data caps on subscribers' service limiting how much data can be downloaded and uploaded in a month, before subscribers have to pay overage charges or receive speed of service below the advertised data rates. For example, as of May 2011, AT&T's DSL offering had a 150 GB limit, and its U-verse offering had a 250 GB limit. Comcast had a 250 GB monthly data usage threshold on residential accounts, and recently raised this limit to 300 GB.*

The Commission should require reporting of capacity caps, and set goals that encourage uncapped data limits on fixed broadband networks. Tiered speeds provide sufficient leverage for network operators to charge for extreme users. Our community FTTH network is able to operate with no per-GB capacity caps or overage charges. Our customers average nearly 80GB of usage, with over 5% of our households exceeding the 300GB limits that would be imposed by a larger network provider. Internet bandwidth prices continue to fall, and continuing advances in fiber optic transmission should drive those prices even lower, while making it cheaper to provision medium-haul backbone services for large providers as well.

### **Inquiry Issue G.**

#### **What Actions Can Accelerate Deployment?**

*54. Section 706 requires that, if the Commission finds that broadband is not being deployed to all Americans in a reasonable and timely manner, it must "take immediate action to accelerate deployment of such capability by removing barriers to infrastructure investment and by promoting competition in the telecommunications market." In the last report, the Commission found many barriers to infrastructure investment stating that the "[h]igh costs of deploying and operating broadband networks and low adoption rates present barriers." The Commission further found that removing barriers to investment requires removing obstacles to deployment, competition, and adoption, which are all interrelated.*

As I mentioned in my opening statement above, the Commission needs to take a serious look at re-opening competition in the fixed broadband market without burdening providers or the public with unnecessary redundant physical networks. The wires and fiber to the homes has been largely funded by



publicly guaranteed monopolies through decades of deployment, they do not need to be “protected” from competition.

The Commission should reinstitute unbundling of the LEC networks, and enforce wholesaling requirements for the Cable companies as well. The Commission should enact guidelines to regulate fair wholesale pricing, where the wholesalers are not allowed to unfairly compete against their wholesale partners by pricing their retail products lower than their wholesale rates.

Thank you for your time.

Sincerely,

Stephen Milton  
CEO/CTO of ISOMEDIA, Inc.  
<http://www.isomedia.com>